

ORIGINAL

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS

DALLAS DIVISION

U.S. DISTRICT COURT  
NORTHERN DISTRICT OF TEXAS  
**FILED**  
SEP 21 2000  
CLERK, U.S. DISTRICT COURT  
By [Signature] Deputy

UNITED STATES OF AMERICA

vs.

MARTIN DALE JEFFUS (1) ✓  
JAMES NEIL MAYHEW (2) ✓  
MICHAEL LYNN LUDWICK (3) ✓  
GESHENG DAI (4) ✓  
MELISSA K. DUNCAN, also known as  
Melissa K. Skidmore (5)  
CHUKWUJEKWUN ANOZIE (6)  
MICHELLE GEORGINA DELGADO-BROWN (7) ✓  
VICTOR DeANTHONY LITTLES (8) ✓  
DALE THOMAS McQUEEN (9) ✓  
SHEILA ANN PETTY (10) ✓  
RODNEY L. ROLAND (11) ✓  
VALERIE HONG TRUONG (12) ✓  
WILLIAM SHELBY WINGERT (13) ✓

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CRIMINAL NO. \_\_\_\_\_

**300 - CR - 375 - D**

Title 18, USC, §371 - Conspiracy  
to Commit Mail Fraud;  
Title 18, USC, §286 - Conspiracy  
to Present False, Fictitious, and  
Fraudulent Claims Against the  
United States;  
Title 18, USC, §1341 - Mail Fraud;  
Title 18, USC, §287 - Present False,  
Fictitious, and Fraudulent Claims  
Against the United States;  
Title 18, USC, §1343 - Wire Fraud.

The Grand Jury charges:

INTRODUCTION

At all times material to this Indictment:

The Government

1. The Environmental Protection Agency (EPA), an agency of the United States, established laboratory procedures, called Methods, for the analysis of environmental samples that were to be used for compliance and enforcement purposes. These Methods incorporated "Good Laboratory Practices," and required certain quality control and quality assurance measures to

INDICTMENT

assure that the data produced as a result of the sample analysis had sufficient documentation, had a known margin of error, and was of a known quality. The requirements and procedures for each of these EPA Methods were set out in EPA Publications and in Title 40 of the United States Code of Federal Regulations.

2. Each of these Methods required the laboratory using the Method to operate a formal quality control program, the minimum requirements of which, among others, were: (1) analysis of samples spiked with known or labeled compounds to evaluate and document data quality; (2) analysis of standards and blanks as tests of continued performance; (3) maintenance of records to document the quality of data that was generated; and (4) comparison of laboratory performance to established performance criteria to determine if the results of analyses met the performance characteristics of the Method.

#### The Laboratory

3. Intertek Testing Services Environmental Laboratories, Inc., (ITS) 1089 East Collins Boulevard, Richardson, Texas, formerly known as NDRC Laboratories, Inc. (NDRC) and Inchcape Testing Services Environmental Laboratories, Inc., (Inchcape) was a full service environmental testing laboratory, conducting environmental sample analysis of air, liquids, and soil. The laboratory was comprised, in part, of six departments: Air Toxics, High Pressure Liquid Chromatography (HPLC), the Volatile and Semi-Volatile sections of Gas Chromatography (GC), and the Volatile and Semi-Volatile sections of Gas Chromatography/Mass Spectrometry (GC/MS). Each of these departments utilized the laboratory computer system to perform and record environmental sample analysis. Between January 1994 and December 1997, these departments within ITS performed environmental sample analysis on more than 59,000 separate

environmental projects, involving as many as 250,000 separate GC and GC/MS analyses of various media types, including air, soil, liquids, pesticides, explosives and nerve/chemical agents, resulting in gross billings of approximately \$35,700,000. These analyses were conducted for the purpose of determining, among other things, the presence of known or suspected human cancer causing petrochemical contaminants.

4. As used in this Indictment, the following terms describe the process and equipment used to measure chemical residues:

a. A *sample*, a quantity of material (i.e. soil, liquid or air), is submitted to a laboratory for analysis. The *sample* is made into a solution called an *extract*, and the *extract* is injected into a *gas chromatograph* for analysis to identify and determine the amount of chemical compounds present in the *sample*. The type of *sample* analyzed, whether soil, liquid, air, oil or gasoline, etc., is referred to as a *matrix*.

b. The *Gas Chromatograph (GC)* produces a graph called a chromatogram. Peaks on the graph represent the analyzed chemical compounds. The location and size of the peaks on a chromatogram, produced after the injection of a *extract*, are compared to the peaks produced by the injection of what is called a *standard*. The comparison of the peaks produced identifies the chemical compound and measures the amount of chemical compound present in the *extract*. A *standard* is a solution that contains a known amount of chemical compounds which is used to calibrate or verify the calibration of analytical instruments. A *Gas Chromatograph/Mass Spectrometer (GC/MS)* is a *Gas Chromatograph* that provides a more detailed analysis of a sample and displays molecular structure information on a chemical compound.

c. Determining the area under the chromatographic peak, representing the concentration of a chemical compound in a sample, is called *integration*. The larger the peak, the greater the concentration of the chemical compound. Although *integration* is performed automatically by a laboratory computer system, it can be adjusted and manipulated through *manual integration* by an analyst. *Manual integration* is the process by which an analyst manually overrides the automatic laboratory computer system, and manually integrates by adding area to, or subtracting area from the chromatographic peak. Some *manual integrations* are acceptable, however the procedure can be used to conceal the failure of the *GC* or the *GC/MS* instrument to pass quality assurance/quality control requirements as well as influence sample results. By manually altering the size of the chromatographic peak, through “juicing,” adding area, or “shaving,” subtracting area, the analyst can make it appear that the concentration of a chemical compound recovered during analysis was of a greater or lesser amount. In some laboratory computer systems these *manual integrations* are documented through the creation of an *audit trail* which records the time and nature of each change made to a sample analysis.

d. To produce accurate and reliable measurements of chemical compounds, and before any samples can be analyzed, the instrument used for the analysis, whether *GC* or *GC/MS*, must be properly calibrated. This required process, called *Initial Calibration*, is performed by injecting up to seven different concentrations of chemical *standards* to produce a calibration curve (also known as a “standard curve”). A successful *Initial Calibration* indicates that the instrument is functioning properly and will produce data of known quality.

e. Other quality control means used to verify that the *GC* or *GC/MS* instrument is still operating properly and in calibration are: (1) *Continuing Calibration* - the injection of a

single known concentration of chemical compounds analyzed at the beginning of each day and at specified time intervals called for in the *method*. If the *continuing calibration* fails quality assurance/quality control requirements, then the instrument must undergo another *initial calibration*; (2) *Blanks* - a sample that contains no chemical compounds of interest, used to verify that a *GC* or *GC/MS* instrument is not contaminated; (3) *Matrix Spike/Matrix Spike Duplicate* - a known amount of chemical compounds at a specific concentration are placed or “spiked” into duplicates of a *sample extract* being analyzed. The results are used to assess the accuracy and precision of the analysis; (4) *Surrogate Compound* - a known chemical compound of specific concentration that is similar to one of the sample compounds being analyzed which is added to the sample prior to extraction. The *surrogate compound* mimics the behavior of the sample compound being analyzed. The percentage recovery of the known *surrogate compound* is an indicator of the quality of the sample analysis; and (5) *Internal Standard* - a chemical compound of a known concentration which is added to a sample extract. The *internal standard* is used as a reference to identify and determine the concentration of the unknowns found in the sample.

5. ITS conducted environmental sample analysis, primarily as a sub-contractor, for environmental consulting firms and federal, state, and local governmental entities throughout the United States pursuant to various contracts requiring ITS to perform the requested analysis in accordance with a specified EPA method number. The analytical results provided by ITS to the environmental consulting firms and federal, state, and local governmental entities were utilized to detect the presence of hazardous waste, for decision making in the determination of site safety, and in monitoring the migration of known hazardous wastes at containment sites affecting ground water, drinking water, and soil conditions in areas where human exposure was possible.

### The Victims

6. Environmental consulting firms, engineering firms, federal, state, and local governmental entities, and military organizations including but not limited to, Environmental Science of the Pacific; Delta Environmental Consultants; Versar; Parsons Engineering Science, Inc.; URS Greiner; Burns and McDonnell Waste Consultants; Handex of Colorado; Environmental Service Associates, Inc.; Geraghty & Miller, Inc.; EA Engineering; Kleinfelder, Inc.; Groundwater Technology; Caldwell Environmental Associates; Rust Lichliter/Jameson; United States Army Corps of Engineers; and the Air Force Center for Environmental Excellence (AFCEE) entered into contracts with, and submitted environmental samples of air, liquids, and soil to ITS for analysis. After analysis of the submitted sample was completed, ITS prepared a data package containing the results of analysis and placed this package in an authorized depository for mail matter to be sent or delivered to the customer by the Postal Service or by a commercial interstate carrier.

7. Upon receipt of the invoice and the package containing the analytical results of the submitted sample from ITS, the customer would remit payment to ITS.

### The Defendants

8. Defendant, MARTIN DALE JEFFUS, who began employment with NDRC in 1980 as an Organic Chemist, was promoted to Inorganic Group Leader in 1985 and Operations Director in 1989. In June 1993 MARTIN DALE JEFFUS was promoted to General Manager of North America Facilities, and in November 1996, was made ITS Regional Director for North America. On or about January 1997, MARTIN DALE JEFFUS became ITS Vice-President for North American Operations, a position he retained through December 1997.

9. Defendant, JAMES NEIL MAYHEW, who began employment with NDRC in January 1989, was employed as a Section Leader of the GC Volatiles section beginning the summer of 1992. Beginning July 1993, JAMES NEIL MAYHEW occupied the position of Manager of the GC department, a position he retained until December 1996.

10. Defendant, MICHAEL LYNN LUDWICK, who began employment with NDRC in 1989, was employed as a Chemist in the Air department from May 1995 until January 1996. Beginning in or about January 1996, MICHAEL LYNN LUDWICK occupied the position of Manager of the GC/MS department, a position he retained until December 1997.

11. Defendant, GESHENG DAI, who began employment with Inchcape in June 1995, was employed as the Manager of the Air Toxics Department beginning in August 1995 through December 1997.

12. Defendant, MELISSA K. DUNCAN, also known as Melissa K. Skidmore, who began employment with NDRC/Inchcape in March 1992, was employed as an analyst in General Chemistry and then in the GC department. Beginning in or about January 1994, MELISSA K. DUNCAN occupied the position of GC Supervisor, a position she retained through December 1997.

13. Defendants, CHUKWUJEKWUN ANOZIE, MICHELLE GEORGINA DELGADO-BROWN, VICTOR DeANTHONY LITTLES, DALE THOMAS McQUEEN, SHEILA ANN PETTY, RODNEY L. ROLAND, VALERIE HONG TRUONG, and WILLIAM SHELBY WINGERT were employed by ITS as analysts in various departments and sections of the laboratory.

## COUNT 1

1. The allegations contained in the Introduction of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. Beginning on or about a date unknown to the Grand Jury, but no earlier than 1988 and continuing thereafter through on or about December 11, 1997, in the Dallas Division of the Northern District of Texas, the defendants, MARTIN DALE JEFFUS, JAMES NEIL MAYHEW, MICHAEL LYNN LUDWICK, GESHENG DAI, MELISSA K. DUNCAN, also known as Melissa K. Skidmore, CHUKWUJEKWUN ANOZIE, MICHELLE GEORGINA DELGADO-BROWN, VICTOR DEANTHONY LITTLES, DALE THOMAS McQUEEN, SHEILA ANN PETTY, RODNEY L. ROLAND, VALERIE HONG TRUONG, and WILLIAM SHELBY WINGERT did knowingly and wilfully combine, conspire, confederate and agree together and with other persons known and unknown to the Grand Jury to commit the offense of Mail Fraud in violation of Title 18, United States Code, Section 1341.

## MANNER AND MEANS

It was a part of the defendant's Conspiracy to Commit Mail Fraud and to devise a scheme and artifice to defraud and to obtain money by means of materially false and fraudulent pretenses, representations, and promises through the use of the Postal Service and commercial interstate carriers:

1. That the defendants caused to be sent through the United States Postal Service or through a commercial interstate carrier and be presented to environmental consulting firms and federal, state, and local governmental entities throughout the United States, the results of analysis performed by ITS of previously submitted environmental samples;



2. That the defendants falsely represented that the analysis performed by ITS of the submitted environmental samples had been conducted utilizing Good Laboratory Practices, within quality control and quality assurance measures, and in accordance with the contracted and specified EPA Method number;

3. That the defendants performed and caused to be performed, improper manual integrations, such as peak juicing and peak shaving on initial calibrations, daily or continuing calibrations, matrix spike, matrix spike duplicates and surrogates for the purpose of causing the instrumentation to appear to be within the quality assurance/quality control criteria required by the applicable EPA Method; and

4. That the defendants engaged in such fraudulent conduct for the purpose of (1) saving the time and money that would otherwise be required to properly maintain the testing equipment; (2) saving the time and money that would otherwise be required in order to repeat tests that did not meet calibration or quality control requirements established by the EPA Methods prescribed in the contracts agreed to and entered into by ITS and the various environmental consulting firms, engineering firms, and federal, state, and local governmental entities; and (3) by increasing the business of ITS by fraudulently producing what appeared to be acceptable environmental sample analysis data.

#### OVERT ACTS

In furtherance of the Conspiracy and to effect the object thereof, the following overt acts, among others, were committed within the Dallas Division of the Northern District of Texas:

##### The Laboratory Leadership - Knowledge and Direction

1. Between in or about 1989 and 1993, on more than one occasion, defendant MARTIN

DALE JEFFUS was personally shown examples of improper and fraudulent manual integrations, occurring in both the GC and GC/MS departments of NDRC Laboratories, Inc., (NDRC), by a manager within the laboratory.

2. Between in or about 1990 and 1992, defendant MARTIN DALE JEFFUS personally directed and trained an NDRC analyst to falsify quality assurance/quality control criteria of metals analysis in order to make the data appear to be within the required quality assurance/quality control limits.

3. Between in or about August 1988 and 1991, defendant MARTIN DALE JEFFUS, then Inorganic Group Leader for NDRC, was advised by an NDRC analyst that improper and fraudulent manual integrations were occurring within the GC/MS department of the laboratory.

4. Between in or about August 1988 and 1991, defendant MARTIN DALE JEFFUS, made statements to NDRC analysts that, they knew how to get the work out, so they were to do it, resulting in the subsequent falsification of analytical data by the analysts which was thereafter delivered to the laboratory's clients.

5. On or about April 13, 1992, an NDRC interoffice memorandum entitled, "Monthly QA/QC Report - February/March 1992," was directed to defendant MARTIN DALE JEFFUS reflecting falsification of quality assurance/quality control criteria involving herbicide analysis within NDRC.

6. On or about May 22, 1992, an NDRC interoffice memorandum entitled, "GC/MS Semivolatiles," was directed to defendant MARTIN DALE JEFFUS reflecting that on numerous occasions fraudulent manual integrations were used on quality assurance/quality control data within NDRC to make the data appear to be within criteria.

7. On or about August 3, 1992, an NDRC interoffice memorandum entitled, "Internal Audit (6/22/92 thru 6/25/92)," was directed to defendant MARTIN DALE JEFFUS reflecting that falsified quality control data from the NDRC metals department was being reported to the laboratory's clients as though the data was within the acceptable quality control range.

8. On or about October 1, 1992, an NDRC memo entitled, "Monthly QA/QC Report - September," was directed to defendant MARTIN DALE JEFFUS reflecting fraudulent calculation of the quality assurance/quality control criteria in the GC/MS Volatiles area of the laboratory to make the criteria appear to be within the required range.

9. Between in or about December 1993 and in or about January 1994, defendant MARTIN DALE JEFFUS, having been advised of falsification by an ITS Houston analyst of the quality assurance/quality control criteria of metals analysis in order to make the data appear to be within the required quality assurance/quality control limits, responded that they had been doing that for years.

10. Between in or about January 1994 and in or about May 1995, defendant JAMES NEIL MAYHEW, in connection with the analysis of an environmental sample received by ITS and having been advised by an ITS analyst that the standards were not within criteria, directed an ITS analyst to make it work, to shave and juice peaks to make the instrumentation appear to be within the quality assurance/quality control criteria required by the applicable EPA Method.

11. In or about the summer of 1995, defendant MARTIN DALE JEFFUS, then Inchcape General Manager for North American Facilities and Laboratory General Manager, was personally shown examples improper and fraudulent integrations occurring within the GC/MS department of the laboratory.

12. Between in or about January 1994 and in or about December 1996, defendant JAMES NEIL MAYHEW directed and trained ITS analysts to fraudulently manual integrate a chromatograph for the purpose of making the instrumentation appear to be within the quality assurance/quality control criteria required by the applicable EPA Method.

13. Between in or about January 1994 and in or about December 1997, on numerous occasions, defendant MARTIN DALE JEFFUS did display a bull whip and/or a cattle prod to analysts at ITS demanding, what will it take to get this data out?

14. In or about 1995, defendant JAMES NEIL MAYHEW improperly performed analysis of environmental samples received by ITS, prior to performing the initial calibration thereby producing analytical data of unknown reliability.

15. Between in or about 1995 and in or about December 1997, defendant MARTIN DALE JEFFUS caused to be included as part of numerous data packages delivered to ITS customers, a letter reflecting that the analytical results produced by ITS and included in the data package (1) had undergone extensive review; (2) was deemed accurate and complete; and that (3) sample analysis and quality control were performed in accordance with all applicable protocols.

#### Analysts Perform Improper Manual Integrations

##### Data Package D95-8335

16. On or about July 12, 1995, defendant CHUKWUJEKWUN ANOZIE improperly and fraudulently manually integrated an Initial Calibration by shaving three of the six calibration levels, thereby concealing the failure of the GC instrument to pass quality assurance/quality control requirements.

17. On or about September 1, 1995, defendant CHUKWUJEKWUN ANOZIE used the

same GC instrument and fraudulent Initial Calibration to perform analysis of D95-8335, samples received by ITS from Amoco service station #30675, Davenport, Iowa, through its contractor, Groundwater Technology.

18. On or about September 6, 1995, defendant CHUKWUJEKWUN ANOZIE caused ITS data package D95-8335, containing results of the environmental analysis, to be mailed through the Postal Service from ITS, Richardson, Texas to Groundwater Technology, Urbandale, Iowa.

#### Data Package D95-9797

19. On or about October 9, 1995, defendant CHUKWUJEKWUN ANOZIE used the same GC instrument and fraudulent Initial Calibration to perform analysis of D95-9797, samples received by ITS from Oklahoma Department of Transportation monitoring wells, Guymon, Oklahoma, through its contractor, Caldwell Environmental Associates.

20. On or about October 11, 1995, defendant CHUKWUJEKWUN ANOZIE caused ITS data package D95-9797, containing results of the environmental analysis, to be mailed through the Postal Service from ITS, Richardson, Texas to Caldwell Environmental Associates, Norman, Oklahoma.

21. The Initial Calibration, fraudulently manually integrated by defendant CHUKWUJEKWUN ANOZIE on July 12, 1995, was used by analysts at ITS to comply with EPA Method requirements until October 11, 1995, and affected the analytical results of approximately 327 projects processed by that GC instrument.

#### Data Package D96-2056

22. On or about March 4, 1996, defendant SHEILA ANN PETTY, in connection with

the analysis of D96-2056, samples received by ITS from the former Liberal Army Air Field, Liberal Kansas, through its contractor, Burns & McDonnell Waste Consultants, improperly and fraudulently manually integrated the Continuing Calibration of the same GC/MS instrument by juicing one compound and shaving another compound, thereby concealing the failure of the GC/MS instrument to meet quality assurance/quality control requirements.

23. On or about March 16, 1996, defendant SHEILA ANN PETTY caused ITS data package D96-2056, containing results of the environmental analysis, to be sent and delivered through Federal Express Corporation (FedEx) from ITS, Richardson, Texas to Burns & McDonnell Waste Consultants, Overland Park, Kansas.

#### Data Package D96-3762

24. On or about April 11, 1996, defendant MELISSA K. SKIDMORE, in connection with the analysis of D96-3762, improperly and fraudulently manually integrated the Continuing Calibration Verification at position #12 by juicing one compound and shaving another compound and improperly and fraudulently manually integrated the Continuing Calibration Verification at position #31 by shaving one compound. In this manner defendant SKIDMORE concealed the failure of the GC instrument to meet quality assurance/quality control requirements.

25. On or about April 11, 1996, defendant MELISSA K. SKIDMORE used the same GC instrument and Continuing Calibration Verification to perform analysis of D96-3762, samples received by ITS from Exxon service station #6-3524, Dallas, Texas, through its contractor, EA Engineering.

. 26. On or about April 18, 1996, defendant MELISSA K. SKIDMORE caused ITS data package D96-3762, containing results of the environmental analysis, to be mailed through the

Postal Service from ITS, Richardson, Texas to EA Engineering, Carrollton, Texas.

**Data Package D96-3725**

27. On or about April 12, 1996, defendant MELISSA K. SKIDMORE used the same GC instrument and fraudulent Continuing Calibration Verifications to perform analysis of D96-3725, samples received by ITS from Oakland Army Base Site 991, Oakland, California, through its contractor, Kleinfelder, Inc.

28. On or about August 9, 1996, defendant MELISSA K. SKIDMORE caused ITS data package D96-3725, containing results of the environmental analysis, to be sent and delivered through FedEx from ITS, Richardson, Texas to Kleinfelder, Inc., Pleasanton, California.

**Data Package D96-7096**

29. On or about July 5, 1996, and again on July 18, 1996, defendant WILLIAM SHELBY WINGERT, in connection with the analysis of samples identified as D96-7096, improperly and fraudulently manually integrated the Continuing Calibration by juicing four separate compounds and shaving two separate compounds. In this manner defendant WINGERT concealed the failure of the GC/MS instrument to meet quality assurance/quality control requirements.

30. On or about July 5, 1996, defendant WILLIAM SHELBY WINGERT caused an ITS analyst to use the same GC/MS instrument and fraudulent Continuing Calibration to perform analysis of D96-7096, samples received by ITS from the Naval Weapons Industrial Reserve Plant, McGregor, Texas through its contractor, Rust Lichliter/Jameson.

31. On or about August 20, 1996, defendant WILLIAM SHELBY WINGERT caused ITS data package D96-7096, containing results of the environmental analysis, to be sent and

delivered through FedEx from ITS, Richardson, Texas to Rust Lichliter/Jameson, Dallas, Texas.

Data Package D96-8656

32. On or about August 6, 1996, defendant VALERIE HONG TRUONG improperly and fraudulently manually integrated an Initial Calibration by juicing and shaving five of the six calibration levels, thereby concealing the failure of the GC instrument to pass quality assurance/quality control requirements.

33. On or about August 9, 1996, defendant VALERIE HONG TRUONG used the same GC instrument and fraudulent Initial Calibration to perform analysis of D96-8656, samples received by ITS from Amoco service station #12001, Denver, Colorado, through its contractor, Handex of Colorado.

34. On or about August 13, 1996, defendant VALERIE HONG TRUONG caused ITS data package D96-8656, containing results of the environmental analysis, to be mailed through the Postal Service from ITS, Richardson, Texas to Handex of Colorado, Golden, Colorado.

35. The Initial Calibration, fraudulently manually integrated by defendant VALERIE HONG TRUONG on August 6, 1996, was used by analysts at ITS to comply with EPA Method requirements until August 12, 1996 and affected the analytical results of approximately 27 projects processed by that GC instrument.

Data Package D96-9015

36. On or about August 16, 1996, defendant SHEILA ANN PETTY, in connection with the analysis of samples identified as D96-9015, improperly and fraudulently manually integrated the Continuing Calibration by juicing one compound. In this manner defendant PETTY concealed the failure of the GC/MS instrument to meet quality assurance/quality control requirements.



37. On or about August 16, 1996, defendant SHEILA ANN PETTY caused an ITS analyst to use the same GC/MS instrument and fraudulent Continuing Calibration to perform analysis of D96-9015, a sample received by ITS from the Bulk Storage Terminal, Clark Oil, St. Louis, Missouri, through its contractor, Burns & McDonnell Waste Consultants.

38. On or about August 20, 1996, defendant SHEILA ANN PETTY caused ITS data package D96-9015, containing results of the environmental analysis, to be sent and delivered through FedEx from ITS, Richardson, Texas to Burns & McDonnell Waste Consultants, Fenton, Missouri.

#### Data Package D96-12547

39. On or about November 7, 1996, defendant VICTOR DeANTHONY LITTLES, in connection with the analysis of samples identified as D96-12547, improperly and fraudulently manually integrated the Continuing Calibration by shaving two separate compounds. In this manner defendant LITTLES concealed the failure of the GC/MS instrument to meet quality assurance/quality control requirements.

40. On or about November 7, 1996, defendant VICTOR DeANTHONY LITTLES caused an ITS analyst to use the same GC/MS instrument and fraudulent Continuing Calibration to perform analysis of D96-12547, samples received by ITS from Armco Steel Manufacturing, Kansas City Missouri, through its contractor, Burns & McDonnell Waste Consultants.

41. On or about December 2, 1996, defendant VICTOR DeANTHONY LITTLES caused ITS data package D96-12547, containing results of the environmental analysis, to be mailed through the Postal Service from ITS, Richardson, Texas to Burns & McDonnell Waste Consultants, Kansas City, Missouri.

#### Data Package D97-226

42. On or about January 8, 1997, defendant GESHENG DAI, in connection with the analysis of samples identified as D97-226, improperly and fraudulently manually integrated the Continuing Calibration by juicing five separate compounds. In this manner defendant DAI concealed the failure of the GC/MS instrument to meet quality assurance/quality control requirements.

43. On or about January 8, 1997, defendant GESHENG DAI caused an ITS analyst to use the same GC/MS instrument and fraudulent Continuing Calibration to perform analysis of D97-226, a sample received by ITS from Soil Remediation, St. Louis, Missouri, through its contractor, Burns & McDonnell Waste Consultants.

44. On or about January 16, 1997, defendant GESHENG DAI caused ITS data package D97-226, containing results of the environmental analysis, to be mailed through the Postal Service from ITS, Richardson, Texas to Burns & McDonnell Waste Consultants, Fenton, Missouri.

#### Data Packages D97-843 and D97-942

45. On or about January 26, 1997, defendant VICTOR DeANTHONY LITTLES, in connection with the analysis of samples identified as D97-843 and D97-942, improperly and fraudulently manually integrated the Continuing Calibration by juicing two separate compounds and shaving one compound. In this manner defendant LITTLES concealed the failure of the GC/MS instrument to meet quality assurance/quality control requirements.

#### D97-843

46. On or about January 26, 1997, defendant VICTOR DeANTHONY LITTLES caused an ITS analyst to use the same GC/MS instrument and fraudulent Continuing Calibration to

perform analysis of D97-843, samples received by ITS from Continental Products of Texas, Midland, Texas, through its contractor, Geraghty & Miller, Inc.

47. On or about February 3, 1997, defendant VICTOR DeANTHONY LITTLES caused ITS data package D97-843, containing results of the environmental analysis, to be mailed through the Postal Service from ITS, Richardson, Texas to Geraghty & Miller, Inc., Midland, Texas.

D97-942

48. On or about January 26, 1997, defendant VICTOR DeANTHONY LITTLES caused an ITS analyst to use the same GC/MS instrument and fraudulent Continuing Calibration to perform analysis of D97-942, samples received by ITS from ACF Industries, Goodrich, Texas, through its contractor, Environmental Service Associates, Inc.

49. On or about February 3, 1997, defendant VICTOR DeANTHONY LITTLES caused ITS data package D97-942, containing results of the environmental analysis, to be mailed through the Postal Service from ITS, Richardson, Texas to Environmental Service Associates, Inc., Longview, Texas.

Data package D97-4398

50. On or about April 11, 1997, defendant GESHENG DAI, in connection with the analysis of samples identified as D97-4398, improperly and fraudulently manually integrated the Continuing Calibration by juicing one compound and shaving two separate compounds. In this manner defendant DAI concealed the failure of the GC/MS instrument to meet quality assurance/quality control requirements.

51. On or about April 11, 1997, defendant GESHENG DAI caused an ITS analyst to use the same GC/MS instrument and fraudulent Continuing Calibration to perform analysis of D97-

4398, samples received by ITS from Trans World Airlines, Kennedy Airport, New York, through its contractor, Burns & McDonnell Waste Consultants.

52. On or about April 23, 1997, defendant GESHENG DAI caused ITS data package D97-4398, containing results of the environmental analysis, to be sent and delivered through FedEx from ITS, Richardson, Texas to Burns & McDonnell Waste Consultants, Fenton, Missouri.

#### Data Package D97-4898

53. On or about April 24, 1997, defendant DALE THOMAS McQUEEN, in connection with the analysis of samples identified as D97-4898, improperly and fraudulently manually integrated the Continuing Calibration by juicing one compound and shaving two separate compounds. In this manner defendant McQUEEN concealed the failure of the GC/MS instrument to meet quality assurance/quality control requirements.

54. On or about April 24, 1997, defendant DALE THOMAS McQUEEN caused an ITS analyst to use the same GC/MS instrument and fraudulent Continuing Calibration to perform analysis of D97-4898, samples received by ITS from PrimeCo of an industrial site located in Fort Worth, Texas, through its contractor, Geraghty & Miller, Inc.

55. On or about May 5, 1997, defendant DALE THOMAS McQUEEN caused ITS data package D97-4898, containing results of the environmental analysis, to be sent and delivered through FedEx from ITS, Richardson, Texas to Geraghty & Miller, Inc., Austin, Texas.

#### Data Packages D97-6564 and D97-6639

56. On or about June 4, 1997, defendant VALERIE HONG TRUONG performed GC analysis of D97-6564, samples received by ITS from Amoco service station #24834, Dorr,

Michigan through its contractor, Delta Environmental Consultants.

57. On or about June 4, 1997, defendant VALERIE HONG TRUONG used the same GC instrument to perform analysis of D97-6639, samples received by ITS from Avis at JFK International Airport, New York, through its contractor, Burns & McDonnell Waste Consultants.

58. On or about June 5, 1997, defendant VALERIE HONG TRUONG, in connection with the analysis of samples identified as D97-6564 and D97-6639, improperly and fraudulently manually integrated the Continuing Calibration Verification at position #37 by shaving one compound. In this manner defendant TRUONG concealed the failure of the GC instrument used to analyze the two samples to meet quality assurance/quality control requirements.

59. On or about June 6, 1997, defendant VALERIE HONG TRUONG caused ITS data package D97-6639, containing results of the environmental analysis, to be sent and delivered through FedEx from ITS, Richardson, Texas to Burns & McDonnell Waste Consultants, Uniondale, New York.

60. On or about June 9, 1997, defendant VALERIE HONG TRUONG caused ITS data package D97-6564, containing results of the environmental analysis, to be mailed through the Postal Service from ITS, Richardson, Texas to Delta Environmental Consultants, Farmington, Michigan.

#### Data Package D97-7390

61. On or about June 19, 1997, defendant RODNEY L. ROLAND improperly and fraudulently manually integrated an Initial Calibration by shaving three of the six calibration levels, thereby concealing the failure of the GC/MS instrument to pass quality assurance/quality control requirements.

62. On or about June 19, 1997, defendant RODNEY L. ROLAND used the same GC/MS instrument and fraudulent Initial Calibration to perform analysis of D97-7390, samples received by ITS from a hazardous waste clean-up site located in Monahans, Texas, through its contractor, Geraghty & Miller, Inc.

63. On or about June 25, 1997, defendant RODNEY L. ROLAND caused ITS data package D97-7390, containing results of the environmental analysis, to be mailed through the Postal Service from ITS, Richardson, Texas to Geraghty & Miller, Inc., Midland, Texas.

64. The Initial Calibration, fraudulently manually integrated by defendant RODNEY L. ROLAND on June 19, 1997, was used by analysts at ITS to comply with EPA Method requirements until July 16, 1997, and affected the analytical results of approximately 95 projects processed by that GC/MS instrument.

#### Data Package D97-8477

65. On or about July 17, 1997, defendant MELISSA K. SKIDMORE, in connection with the analysis of samples identified as D97-8477, improperly and fraudulently manually integrated the Continuing Calibration Verification by juicing one compound and shaving one compound. In this manner the defendant concealed the failure of the GC instrument to meet quality assurance/quality control requirements.

66. On or about July 17, 1997, defendant MELISSA K. SKIDMORE caused an ITS analyst to use the same GC instrument and fraudulent Continuing Calibration Verification to perform analysis of D97-8477, samples received by ITS from Wyco Pipeline Company, Dupont, Colorado, through its contractor, Handex of Colorado.

. 67. On or about July 23, 1997, defendant MELISSA K. SKIDMORE caused ITS data

package D97-8477, containing results of the environmental analysis, to be mailed through the Postal Service from ITS, Richardson, Texas to Handex of Colorado, Golden, Colorado.

#### Data Package D97-9718

68. On or about August 12, 1997, defendant DALE THOMAS McQUEEN improperly and fraudulently manually integrated an Initial Calibration by juicing and shaving three of the six calibration levels, thereby concealing the failure of the GC/MS instrument to pass quality assurance/quality control requirements.

69. On or about August 14, 1997, defendant DALE THOMAS McQUEEN caused an ITS analyst to use the same GC/MS instrument and fraudulent Initial Calibration to perform analysis of D97-9718, samples received by ITS from Amoco service station #5747, Battle Creek, Michigan, through its contractor, Delta Engineering Consultants.

70. On or about August 18, 1997, defendant DALE THOMAS McQUEEN caused ITS data package D97-9718, containing results of the environmental analysis, to be mailed through the Postal Service from ITS, Richardson, Texas to Delta Engineering Consultants, Farmington Hills, Michigan.

71. The Initial Calibration, fraudulently manually integrated by defendant DALE THOMAS McQUEEN on August 12, 1997, was used by analysts at ITS to comply with EPA Method requirements until August 15, 1997, and affected the analytical results of approximately five projects processed by that GC/MS instrument.

#### Data Package D97-10918

72. On or about September 9, 1997, defendant MICHELLE GEORGINA DELGADO-BROWN improperly and fraudulently manually integrated an Initial Calibration by shaving five

separate compounds on calibration level one, thereby concealing the failure of the GC/MS instrument to pass quality assurance/quality control requirements.

73. On or about September 9, 1997, ITS received D97-10918, samples from URS Greiner an environmental contractor performing remedial work at the Newmark EPA Superfund site in San Bernadino, California, which included a field prepared Double Blind Performance Evaluation sample.

74. On or about September 10, 1997, defendant MICHELLE GEORGINA DELGADO-BROWN used the same GC/MS instrument and fraudulent Initial Calibration to perform analysis of D97-10918. During the course of this analysis defendant MICHELLE GEORGINA DELGADO-BROWN improperly and fraudulently manually integrated three separate compounds on sample number 6, the Double Blind Performance Evaluation sample, including juicing the Surrogate Standard to raise the amount of recovery to the proper percentage. In this manner defendant DELGADO-BROWN concealed the failure of the GC/MS instrument to pass quality assurance/quality control requirements, resulting in her failure to detect seven out of the nine analytes present in the Performance Evaluation sample.

75. On or about September 10, 1997, defendant MICHELLE GEORGINA DELGADO-BROWN caused a Report of Analysis for data package D97-10918, dated September 10, 1997, to be transmitted by facsimile from ITS, Richardson, Texas to URS Greiner in Sacramento, California.

76. On or about September 17, 1997, defendant MICHAEL LYNN LUDWICK explains the failure of ITS to detect seven out of the nine analytes present in the Performance Evaluation sample as the analysis having been affected by a software glitch.



## Data Package D97-10990

77. On or about September 12, 1997, defendant MICHELLE GEORGINA DELGADO-BROWN used the same GC/MS instrument and fraudulent Initial Calibration to perform analysis of D97-10990, samples received by ITS from Amoco, Salt Lake City, Utah through its contractor, Delta Environmental Consultants.

78. On or about September 19, 1997, defendant MICHELLE GEORGINA DELGADO-BROWN caused ITS data package D97-10990, containing results of the environmental analysis, to be mailed through the Postal Service from ITS, Richardson, Texas to Delta Engineering Consultants, Salt Lake City, Utah.

79. The Initial Calibration, fraudulently manually integrated by defendant MICHELLE GEORGINA DELGADO-BROWN on September 9, 1997, was used by analysts at ITS to comply with EPA Method requirements until September 17, 1997, and affected the analytical results of approximately 26 projects processed by that GC/MS instrument.

In violation of Title 18, United States Code, Section 371. (Title 18, United States Code, Section 1341)

## COUNT 2

1. The allegations contained in the Introduction of this Indictment and Overt Acts 10, 12, and 14 of Count 1 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. Beginning on or about a date unknown to the Grand Jury, but no earlier than January 1994 and continuing thereafter through on or about December 11, 1997, in the Dallas Division of

the Northern District of Texas, the defendants, MARTIN DALE JEFFUS, JAMES NEIL MAYHEW, MICHAEL LYNN LUDWICK, GESHENG DAI, MICHELLE GEORGINA DELGADO-BROWN, DALE THOMAS McQUEEN, SHEILA ANN PETTY, RODNEY L. ROLAND, and WILLIAM SHELBY WINGERT did knowingly and wilfully enter into an agreement, combination and conspiracy with each other and with other persons known and unknown to the Grand Jury to defraud the United States and a department and agency thereof, to wit, the Department of Defense and its agencies, by obtaining and aiding to obtain the payment and allowance of false, fictitious, and fraudulent claims in violation of Title 18, United States Code, Section 287.

#### MANNER AND MEANS

It was a part of the defendant's Conspiracy to present materially false, fictitious, and fraudulent claims against the United States and to make and present to persons and officers in the civil, military, and naval service of the United States and to departments and agencies of the United States, claims upon and against the United States and departments or agencies thereof, knowing such claim to be materially false, fictitious, and fraudulent:

1. That the defendants caused to be sent through the United States Postal Service or through a commercial interstate carrier and to be presented to United States, the results of analysis performed by ITS of previously submitted environmental samples;
2. That the defendants represented that analysis by ITS of the submitted environmental samples had been conducted within quality control and quality assurance measures, utilizing Good Laboratory Practices, and in accordance with the contracted and specified EPA Method number;
3. That the defendants performed and caused to be performed, improper manual

integrations, such as peak juicing and peak shaving on initial calibrations, daily or continuing calibrations, matrix spike, matrix spike duplicates and surrogates for the purpose of causing the instrumentation to appear to be within the quality assurance/quality control criteria required by the applicable EPA Method; and

4. That the defendants engaged in such fraudulent conduct for the purpose of (1) saving the time and money that would otherwise be required to properly maintain the testing equipment; (2) saving the time and money that would otherwise be required to repeat tests that did not meet calibration or quality control requirements established by the EPA Methods prescribed in the contracts agreed to and entered into by ITS and the federal governmental entity; and (3) by increasing the business of ITS by fraudulently producing what appeared to be acceptable environmental sample analysis data.

#### OVERT ACTS

In furtherance of the Conspiracy and to effect the objects thereof, the following overt acts, among others, were committed within the Dallas Division of the Northern District of Texas:

##### The Laboratory Leadership - Knowledge and Direction

1. Between in or about January 1996 through in or about August 1997, defendant MARTIN DALE JEFFUS, as General Manager of Inchcape Testing Services Environmental Laboratories, Inc., and later as ITS Regional Director for North America, was advised by the ITS Laboratory Manager that the lab was not able to meet the lower detection limits required by the United States Air Force for AFCEE analysis. However, defendant JEFFUS continued to pursue additional AFCEE projects.

2. Between in or about January 1996 and December 1997, defendant MARTIN DALE

JEFFUS, having been advised by an ITS lab manager that the lab instruments could not meet the criteria required for the low concentration AFCEE analysis, directed that the analysts had to get the packages out.

3. Between in or about January 1996 and December 1997, defendant MARTIN DALE JEFFUS, having been advised that data packages reflecting ITS environmental sample analysis of AFCEE projects contained out-of-criteria data which would result in the customer not being responsible for the cost of the testing and ITS having to retest at their own expense, directed that they had to find a way to fix it.

#### Analysts Perform Improper Manual Integrations

##### Data Package D96-2033

4. On or about March 4, 1996, defendant SHEILA ANN PETTY, in connection with the analysis of D96-2033, samples received by ITS from former Foster Air Force Base, Texas through its contractor, the United States Army Corps of Engineers, improperly and fraudulently manually integrated the Continuing Calibration by juicing one compound and shaving another compound. In this manner defendant PETTY concealed the failure of the GC/MS instrument to meet quality assurance/quality control requirements.

5. On or about March 15, 1996, defendant SHEILA ANN PETTY caused a claim by ITS for environmental sample analysis of D96-2033 to be made against the United States through the United States Army Corps of Engineers, in the amount of \$1,447.50.

6. Between in or about August 1996 through in or about March 1997, defendant MICHAEL LYNN LUDWICK, as Manager of the GC/MS department, fraudulently altered the quality assurance/quality control criteria of AFCEE data packages to make the analytical results

appear to be within the acceptable range.

7. In or about September 1996, defendant MARTIN DALE JEFFUS caused to be submitted to United States Army Corps of Engineers, in connection with the submission of the ITS Quality Assurance Plan, a personal resume falsely representing that he held a Bachelor of Science Degree in Chemistry from the University of Houston granted in 1970 when, in fact, he held no such degree.

Data Package D96-13949

8. Between on or about December 5, 1996 and on or about December 16, 1996, defendants MICHELLE GEORGINA DELGADO-BROWN, RODNEY L. ROLAND, and MICHAEL LYNN LUDWICK improperly and fraudulently manually integrated an Initial Calibration by shaving six separate compounds on calibration level one, thereby concealing the failure of the GC/MS instrument to pass quality assurance/quality control requirements.

9. On or about December 13, 1996, defendant RODNEY L. ROLAND used the same GC/MS instrument and fraudulent Initial Calibration to perform analysis of D96-13949, samples received by ITS from Wurtsmith Air Force Base, New York through its contractor, Versar, Inc.

10. On or about January 3, 1997, defendant MICHAEL LYNN LUDWICK, as GC/MS Group Leader, fraudulently signed a certification that analysis of D96-13949 was performed in compliance with the terms and conditions of the contract between ITS and Versar, Inc.

11. On or about February 7, 1997, defendants MICHELLE GEORGINA DELGADO-BROWN, RODNEY L. ROLAND, and MICHAEL LYNN LUDWICK caused a claim by ITS for environmental sample analysis of D96-13949 to be made against the United States through the Air Force Center for Environmental Excellence, in the amount of \$7,016.00.

12. The Initial Calibration, fraudulently manually integrated by defendants MICHELLE GEORGINA DELGADO-BROWN, RODNEY L. ROLAND, and MICHAEL LYNN LUDWICK between December 5, 1996 and December 16, 1996, was used by analysts at ITS to comply with EPA Method requirements until February 18, 1997, and affected the analytical results of approximately 120 projects processed by that GC/MS instrument.

Data Package D97-214

13. On or about January 8, 1997, defendant GESHENG DAI, in connection with the analysis of samples identified as D97-214, improperly and fraudulently manually integrated the Continuing Calibration by juicing five separate compounds. In this manner defendant DAI concealed the failure of the GC/MS instrument to meet quality assurance/quality control requirements.

14. On or about January 8, 1997, defendant GESHENG DAI caused an ITS analyst to use the same GC/MS instrument and fraudulent Continuing Calibration to perform analysis of D97-214, samples received by ITS from Camp Stanley, Bexar County, Texas through its contractor, Parsons Engineering Science, Inc.

15. On or about February 6, 1997, defendant SHEILA ANN PETTY fraudulently signed a certification that analysis of D97-214 was performed in compliance with the terms and conditions of the contract between ITS and Parsons Engineering Science, Inc.

16. On or about March 31, 1997, defendant GESHENG DAI caused a claim by ITS for environmental sample analysis of D97-214 to be made against the United States through the Air Force Center for Environmental Excellence, in the amount of \$8,122.15.

#### Data Package D97-5388

17. On or about May 5, 1997, defendant MICHAEL LYNN LUDWICK, in connection with the analysis of samples identified as D97-5388, improperly and fraudulently manually integrated the Continuing Calibration by juicing nine separate compounds and shaving three separate compounds. In this manner defendant LUDWICK concealed the failure of the GC/MS instrument to meet quality assurance/quality control requirements.

18. On or about May 5, 1997, defendant MICHAEL LYNN LUDWICK caused an ITS analyst to use the same GC/MS instrument and fraudulent Continuing Calibration to perform analysis of D97-5388, samples received by ITS from Fitzsimons Army Hospital, Aurora, Colorado, through its contractor, Parsons Engineering Science, Inc.

19. On or about May 14, 1997, defendant MICHAEL LYNN LUDWICK, as GC/MS Group Leader, fraudulently signed a certification that analysis of D97-5388 was performed in compliance with the terms and conditions of the contract between ITS and Parsons Engineering Science, Inc.

20. On or about May 31, 1997, defendant MICHAEL LYNN LUDWICK caused a claim by ITS for environmental sample analysis of D97-5388 to be made against the United States through the Air Force Center for Environmental Excellence, in the amount of \$384.38.

#### Data Package D97-6024

21. On or about May 23, 1997, defendant WILLIAM SHELBY WINGERT, in connection with the analysis of samples identified as D97-6024, improperly and fraudulently manually integrated the Continuing Calibration by juicing one compound and shaving one compound. In this manner defendant WINGERT concealed the failure of the GC/MS instrument

to meet quality assurance/quality control requirements.

22. On or about May 23, 1997, defendant WILLIAM SHELBY WINGERT caused an ITS analyst to use the same GC/MS instrument and fraudulent Continuing Calibration to perform analysis of D97-6024, samples received by ITS from Camp Stanley, Bexar County, Texas through its contractor, Parsons Engineering Science, Inc.

23. On or about June 23, 1997, defendant SHEILA ANN PETTY fraudulently signed a certification that analysis of D97-6024 was performed in compliance with the terms and conditions of the contract between ITS and Parsons Engineering Science, Inc.

24. On or about June 30, 1997, defendant WILLIAM SHELBY WINGERT caused a claim by ITS for environmental sample analysis of D97-6024 to be made against the United States through the Air Force Center for Environmental Excellence, in the amount of \$5,494.50.

#### Data Package D97-9692

25. On or about August 12, 1997, defendant DALE THOMAS McQUEEN improperly and fraudulently manually integrated an Initial Calibration by juicing and shaving three of the six calibration levels, thereby concealing the failure of the GC/MS instrument to pass quality assurance/quality control requirements.

26. On or about August 12, 1997, defendant DALE THOMAS McQUEEN using the same GC/MS instrument, improperly and fraudulently manually integrated the Matrix Spike Duplicate by juicing a compound, and the Surrogate Compound by juicing a compound, thereby concealing the failure of the GC/MS instrument to meet quality assurance/quality control requirements.

27. On or about August 12, 1997, defendant DALE THOMAS McQUEEN caused an



ITS analyst to use the same GC/MS instrument and fraudulent Initial Calibration, Matrix Spike Duplicate, and Surrogate Compound to perform analysis of D97-9692, samples received by ITS from Bellows AFS, Hawaii, through its contractor, Environmental Sciences of the Pacific.

28. On or about September 11, 1997, defendant DALE THOMAS McQUEEN caused a claim by ITS for environmental sample analysis of D97-9692 to be made against the United States through the Air Force Center for Environmental Excellence, in the amount of \$5,732.75.

#### Data Package D97-12609

29. On or about October 22, 1997, defendant MICHELLE GEORGINA DELGADO-BROWN improperly and fraudulently manually integrated an Initial Calibration by juicing and shaving all seven calibration levels, thereby concealing the failure of the GC/MS instrument to pass quality assurance/quality control requirements.

30. On or about October 22, 1997, defendant MICHELLE GEORGINA DELGADO-BROWN, in connection with the analysis of samples identified as D97-12609, improperly and fraudulently manually integrated a Continuing Calibration by shaving five separate compounds. In this manner defendant DELGADO-BROWN concealed the failure of the same GC/MS instrument to pass quality assurance/quality control requirements.

31. On or about October 22, 1997, defendant MICHELLE GEORGINA DELGADO-BROWN used the same GC/MS instrument and fraudulent Initial Calibration and fraudulent Continuing Calibration to perform analysis of D97-12609, samples received by ITS from Hickham Air Force Base, Hawaii, through its contractor, Parsons Engineering Science, Inc.

32. On or about November 30, 1997, defendant MICHELLE GEORGINA DELGADO-BROWN caused a claim by ITS for environmental sample analysis of D97-12609 to be made

against the United States through the Air Force Center for Environmental Excellence, in the amount of \$1,180.00.

33. The Initial Calibration, fraudulently manually integrated by defendant MICHELLE GEORGINA DELGADO-BROWN on October 22, 1997, was used by analysts at ITS to comply with EPA Method requirements until November 20, 1997, and affected the analytical results of approximately 51 projects processed by that GC/MS instrument.

34. Between in or about 1995 and in or about December 1997, defendant MARTIN DALE JEFFUS caused to be included as part of numerous data packages delivered to ITS customers, a letter reflecting that the analytical results produced by ITS and included in the data package (1) had undergone extensive review; (2) was deemed accurate and complete; and that (3) sample analysis and quality control were performed in accordance with all applicable protocols.

35. In or about December 1997, defendant MARTIN DALE JEFFUS, after having been advised that a data package reflecting ITS environmental sample analysis of an AFCEE project may contain fraudulent data, directed the ITS analyst to send the package out anyway.

In violation of Title 18, United States Code, Section 286.

#### COUNTS 3 - 22

1. As to each of the below-listed Counts, the allegations contained in the Introduction of this Indictment, as well as the allegations contained in Count 1 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. On or about the date set forth for each Count, in the Dallas Division of the Northern District of Texas, the below-named defendant, having knowingly and wilfully devised the

aforesaid scheme and artifice to defraud and for the purpose of executing said scheme and to obtain money by means of materially false and fraudulent pretenses, representations, and promises did knowingly place and cause to be placed in an authorized depository for mail matter and deposit and cause to be deposited any matter to be sent and delivered by the Postal Service or any private or commercial interstate carrier below-stated, according to the direction thereon, an envelope addressed as described below, which envelope contained the listed data package, reflecting fraudulent environmental analysis of the listed sample:

<u>Count</u>	<u>Offense Date</u>	<u>Defendant</u>	<u>Addressee</u>	<u>Via</u>	<u>Data Package</u>	<u>Sample</u>
3	09-06-95	MARTIN DALE JEFFUS JAMES NEIL MAYHEW MELISSA K. DUNCAN, also known as Melissa K. Skidmore CHUKWUJEKWUN ANOZIE	Groundwater Technology 3000 Justin Drive Suite K Urbandale, IA 50322	Postal Service	D95-8335	1-13
4	10-11-95	MARTIN DALE JEFFUS JAMES NEIL MAYHEW MELISSA K. DUNCAN, also known as Melissa K. Skidmore CHUKWUJEKWUN ANOZIE	Caldwell Environmental Associates PO Box 1608 Norman, OK 73069	Postal Service	D95-9797	1-3
5	03-15-96	MARTIN DALE JEFFUS MICHAEL LYNN LUDWICK SHEILA ANN PETTY	Burns & McDonnell Waste Consultants 10881 Lowell Ave. Suite 200 Overland Park, KS 66210	FedEx	D96-2056	7
6	04-18-96	MARTIN DALE JEFFUS JAMES NEIL MAYHEW MELISSA K. DUNCAN, also known as Melissa K. Skidmore	EA Engineering 1420 Valwood Parkway Suite 170 Carrollton, TX 75006	Postal Service	D96-3762	5, 9, 11

<u>Count</u>	<u>Offense Date</u>	<u>Defendant</u>	<u>Addressee</u>	<u>Via</u>	<u>Data Package</u>	<u>Sample</u>
7	08-09-96	MARTIN DALE JEFFUS JAMES NEIL MAYHEW MELISSA K. DUNCAN, also known as Melissa K. Skidmore	Kleinfelder, Inc. 7133 Koll Center Parkway Suite 100 Pleasanton, CA 94566	FedEx	D96-3725	5, 7, 8
8	08-13-96	MARTIN DALE JEFFUS JAMES NEIL MAYHEW MELISSA K. DUNCAN, also known as Melissa K. Skidmore VALERIE HONG TRUONG	Handex of Colorado 400 Corporate Circle Suite T Golden, CO 80401	Postal Service	D96-8656	3, 20
9	08-20-96	MARTIN DALE JEFFUS MICHAEL LYNN LUDWICK WILLIAM SHELBY WINGERT	Rust Lichliter/Jameson 1420 W. Mockingbird Ln. Suite 300 Dallas, TX 75247	FedEx	D96-7096	6, 13, 15
10	08-20-96	MARTIN DALE JEFFUS MICHAEL LYNN LUDWICK SHEILA ANN PETTY	Burns & McDonnell Waste Consultants 17 Cassens Court Fenton, MO 63026	FedEx	D96-9015	1
11	12-02-96	MARTIN DALE JEFFUS MICHAEL LYNN LUDWICK VICTOR DeANTHONY LITTLES	Burns & McDonnell Waste Consultants 9400 Ward Parkway Kansas City, MO 64114	FedEx	D96-12547	5-8
12	01-16-97	MARTIN DALE JEFFUS GESHENG DAI	Burns & McDonnell Waste Consultants 17 Cassens Court Fenton, MO 63026	Postal Service	D97-226	1
13	02-03-97	MARTIN DALE JEFFUS MICHAEL LYNN LUDWICK VICTOR DeANTHONY LITTLES	Geraghty & Miller, Inc. 1030 Andrews Highway Suite 120 Midland, TX 79701	Postal Service	D97-843	2, 3

<u>Count</u>	<u>Offense Date</u>	<u>Defendant</u>	<u>Addressee</u>	<u>Via</u>	<u>Data Package</u>	<u>Sample</u>
14	02-03-97	MARTIN DALE JEFFUS MICHAEL LYNN LUDWICK VICTOR DeANTHONY LITTLES	Environmental Service Associates, Inc. PO Box 3384 Longview, TX 75606	Postal Service	D97-942	6, 7, 9
15	04-23-97	MARTIN DALE JEFFUS GESHENG DAI	Burns & McDonnell Waste Consultants 17 Cassens Court Fenton, MO 63026	FedEx	D97-4398	1-3
16	05-05-97	MARTIN DALE JEFFUS MICHAEL LYNN LUDWICK DALE THOMAS McQUEEN	Geraghty & Miller, Inc. 5608 Park Crest Drive Suite 300 Austin, TX 78731	FedEx	D97-4898	8, 12
17	06-06-97	MARTIN DALE JEFFUS MELISSA K. DUNCAN, also known as Melissa K. Skidmore VALERIE HONG TRUONG	Burns & McDonnell Waste Consultants 165 EAB Plaza Floor West Towers Uniondale, NY 11556	Postal Service	D97-6639	1-3
18	06-09-97	MARTIN DALE JEFFUS MELISSA K. DUNCAN, also known as Melissa K. Skidmore VALERIE HONG TRUONG	Delta Environmental Consultants 39303 County Club Drive Suite A-50 Farmington Hills, MI 48331	Postal Service	D97-6564	1-3
19	06-25-97	MARTIN DALE JEFFUS MICHAEL LYNN LUDWICK RODNEY L. ROLAND	Geraghty & Miller, Inc. 1030 Andrews Highway Suite 120 Midland, TX 79701	Postal Service	D97-7390	5, 7

<u>Count</u>	<u>Offense Date</u>	<u>Defendant</u>	<u>Addressee</u>	<u>Via</u>	<u>Data Package</u>	<u>Sample</u>
20	07-23-97	MARTIN DALE JEFFUS MELISSA K. DUNCAN, also known as Melissa K. Skidmore	Handex of Colorado 400 Corporate Circle Suite T Golden, CO 80401	Postal Service	D97-8477	11
21	08-18-97	MARTIN DALE JEFFUS MICHAEL LYNN LUDWICK DALE THOMAS McQUEEN	Delta Engineering Consultants 39303 County Club Drive Suite A-50 Farmington Hills, MI 48331	Postal Service	D97-9718	1-11
22	09-19-97	MARTIN DALE JEFFUS MICHAEL LYNN LUDWICK MICHELLE GEORGINA DELGADO-BROWN	Delta Environmental Consultants 1030 West 5370 South Salt Lake City, UT 84123	FedEx	D97-10990	1-5

Each in violation of Title 18, United States Code, Sections 1341 and 2.

#### COUNTS 23 - 29

1. As to each of the below-listed Counts, the allegations contained in the Introduction of this Indictment, as well as the allegations contained in Count 2 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. On or about the below-listed date for each Count, in the Dallas Division of the Northern District of Texas, the below-named defendant, did knowingly make and present, and cause to be made and presented through the listed contractor to a department and agency of the United States, to wit the Department of Defense and its agencies the Air Force Center for Environmental Excellence and the United States Army Corps of Engineers, a claim for payment of money for environmental sample analysis of the listed data package against the United States in

the stated amount, which claim the listed defendant knew to be false, fraudulent, and fictitious in that the sample analysis had not been conducted within quality control and quality assurance measures, utilizing Good Laboratory Practices, and in accordance with the contracted and specified EPA Method number:

<u>Count</u>	<u>Offense Date</u>	<u>Defendant</u>	<u>DOD Contractor</u>	<u>Data Package</u>	<u>Claim Amount</u>
23	03-15-96	MARTIN DALE JEFFUS MICHAEL LYNN LUDWICK SHEILA ANN PETTY	United States Army Corps of Engineers 4815 Cass Street Dallas, TX 75235	D96-2033	\$1,447.50
24	02-07-97	MARTIN DALE JEFFUS MICHAEL LYNN LUDWICK MICHELLE GEORGINA DELGADO-BROWN RODNEY L. ROLAND	Versar, Inc. Green Brook Executive Center 200 West 22 <sup>nd</sup> Street Suite 250 Lombard, IL 60148	D96-13949	\$7,016.00
25	03-31-97	MARTIN DALE JEFFUS GESHENG DAI	Parsons Engineering Science, Inc. 8000 Centre Park Drive Suite 200 Austin, TX 78754	D97-214	\$8,122.15
26	05-31-97	MARTIN DALE JEFFUS MICHAEL LYNN LUDWICK MICHELLE GEORGINA DELGADO-BROWN	Parsons Engineering Science, Inc. 1700 Broadway Suite 900 Denver, CO 80290	D97-5388	\$384.38
27	06-30-97	MARTIN DALE JEFFUS MICHAEL LYNN LUDWICK WILLIAM SHELBY WINGERT	Parsons Engineering Science, Inc. 8000 Centre Park Drive Suite 200 Austin, TX 78754	D97-6024	\$5,494.50

<u>Count</u>	<u>Offense Date</u>	<u>Defendant</u>	<u>DOD Contractor</u>	<u>Data Package</u>	<u>Claim Amount</u>
28	09-19-97	MARTIN DALE JEFFUS MICHAEL LYNN LUDWICK DALE THOMAS McQUEEN	Environmental Science of the Pacific 99-1205 Halawa Valley Street Suite 304 Aiea, HI 96701	D97-9692	\$5,732.75
29	11-30-97	MARTIN DALE JEFFUS MICHAEL LYNN LUDWICK MICHELLE GEORGINA DELGADO-BROWN	Parsons Engineering Science, Inc. 1700 Broadway Suite 900 Denver, CO 80290	D97-12609	\$1,180.00

Each in violation of Title 18, United States Code, Sections 287 and 2.

### COUNT 30

1. The allegations contained in the Introduction of this Indictment and Overt Acts 72 through 76 of Count 1 of this Indictment, are realleged as the scheme and artifice to defraud, and are incorporated by reference as though fully set forth herein.

2. It was a part of the scheme and artifice to defraud that defendants MARTIN DALE JEFFUS, MICHAEL LYNN LUDWICK, and MICHELLE GEORGINA DELGADO-BROWN would transmit and cause to be transmitted, by means of wire communication in interstate commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises.

3. On or about September 10, 1997, in the Dallas Division of the Northern District of Texas, defendants MARTIN DALE JEFFUS, MICHAEL LYNN LUDWICK, and MICHELLE GEORGINA DELGADO-BROWN having knowingly and wilfully devised the aforesaid scheme




and artifice to defraud, and for the purpose of obtaining money and property by means of false and fraudulent pretenses and representations, did transmit and cause to be transmitted in interstate commerce by means of a wire communication between ITS in Richardson, Texas and URS Greiner, 2710 Gateway Circle Drive, Suite 250 North, Sacramento, California, signals and sounds for the purpose of executing the aforesaid scheme and artifice to defraud, to wit, transmit by facsimile a Report of Analysis for ITS data package D97-10918, reflecting that such analysis was conducted in accordance with the applicable EPA Method, when, in truth and in fact improper and fraudulent manual integrations had been performed to conceal the failure of the GC/MS instrument utilized for the analysis to pass quality assurance/quality control requirements.


In violation of Title 18, United States Code, Sections 1343 and 2.

A TRUE BILL.

FOREMAN

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UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION

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THE UNITED STATES OF AMERICA

VS.

MARTIN DALE JEFFUS (1)  
JAMES NEIL MAYHEW (2)  
MICHAEL LYNN LUDWICK (3)  
GESHENG DAI (4)  
MELISSA K. DUNCAN, also known as  
Melissa K. Skidmore (5)  
CHUKWUJEKWUN ANOZIE (6)  
MICHELLE GEORGINA DELGADO-BROWN (7)  
VICTOR DeANTHONY LITTLES (8)  
DALE THOMAS McQUEEN (9)  
SHEILA ANN PETTY (10)  
RODNEY L. ROLAND (11)  
VALERIE HONG TRUONG (12)  
WILLIAM SHELBY WINGERT (13)

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INDICTMENT

Title 18, USC, §371 - Conspiracy to Commit Mail Fraud;  
Title 18, USC, §286 - Conspiracy to Present False, Fictitious, and  
Fraudulent Claims Against the United States;  
Title 18, USC, §1341 - Mail Fraud; Title 18, USC § 287 - Present False,  
Fictitious, and Fraudulent Claims Against the United States;  
Title 18, USC, §1343 - Wire Fraud.

(30 COUNTS)

A True bill,

DALLAS

Foreman

Filed in open court this 20th day of September, A.D. 2000

Clerk

WARRANTS TO ISSUE ON ALL DEFENDANTS

UNITED STATES DISTRICT JUDGE